

Zack Childress: So the big question is this: how do aspiring real estate investors like us escape from the rat race and build real wealth and freedom without access to millions of dollars in investment capital, and start to live the life that we know we deserve? This is the question, and this podcast will give you the edge. My name is Zach Childress and welcome to Real Estate Investing Talk Show.

Zack Childress: You know, you got to really look into co-wholeselling. And co-wholeselling is the key and I want to share co-wholeselling with you. For those of you that don't have my quick cash course that is co-wholeselling, I think it's like \$37. Is that what it is? Yeah, it's like \$37 and it's all about co-wholeselling. And so, you know, that's what I want to talk to you about. And there's different ways to go wholesale, right? But let me just get you to understand the premise of co-wholeselling. So, co-wholeselling-

Jill: I'm just thinking back because there's so much information in the, in the REI Quick Cash. But do you remember how many times they came to you and was like, Hey Zach, what about this? Hey Zack, what about this? And you're like-

Zack Childress: That was like the lady this weekend at the event, she was asking me a hundred and one questions and it was all in the paperwork that I gave her. I'm like, it's in your paperwork. Oh. And then she'd ask me another question. I'll be like, yeah, that's in your paperwork to. Oh, it just makes me realize like you can give everybody everything they need and they still won't go through it.

Jill: Sometimes though, I know for myself, I'm a verbal. I have to ask the question.

Zack Childress: Yeah. But what about if you weren't at an event?

Jill: I would find a way for me, I would find a way to ask you questions, whether it be through coaching and I hired you and I got access to you.

Zack Childress: So. So co-wholeselling was one of the big topics this weekend and it was really because of the premise of it. Right? And the premise of co-wholeselling is when you're first starting out, you just don't have a, well, let's just not put everybody in a bucket. Some people don't have a lot of money when they first start out and you know, and when I say that is, look, can you do real estate with no money? No credit? Yeah, absolutely. You can contract to properly sell the contracting, do co-wholeselling. You can do creative financing, you know, you can even go out and buy, fix and flip properties with none of your own money. Um, does that mean that you don't need money? No, you're just going to use other people's money. And some of those deals, like, you know, with the wholesale, the deal still gets closed, but it's not your money, it's the other investors' money.

Zack Childress: But that doesn't mean that we don't need money for our business, right? The growth aspect, the marketing aspect. And so when we look at that, you know, sometimes that requires us to either do two things, when it comes to

marketing, right? Is either we spend a lot of time looking for buyer leads for free, and seller leads for free, or we spend money to find seller leads and buyer leads, or we do both. And for a lot of people first starting out and, you know, some I should say, not a lot, I learned this weekend that we had a lot of people in that room that weren't struggling financially from what they were telling me. They just wanted to know how to get to another level in their business. But there were still people in that room that were like, look, man, you know, I'm sleeping in my car to be here.

Zack Childress: Which I thought was just, oh man. I mean, it just, it makes me realize that all the times I get mad at you guys on here for not trying hard enough. There's some people that are trying hard enough and they may not feel like they're getting there yet, but they're putting in more work than some average joe out there. And all I can say is just keep grinding, just keep grinding. And, um, you'll get there. And this is why I think co-wholeselling is such a value or a vital aspect of your business, because co-wholeselling, you really only have to work on one side of the transaction, and in some cases you can just be a facilitator. And so what do I mean by that? Well, when you're first starting out, you may not have the time to put in to find sellers and find buyers.

Zack Childress: You might just have time to do one of them. Well, if you can find seller leads and contract them, then you can go out and find other wholesalers who have buyers and you can do a co-wholesale deal with them. You can come together with them and let them bring the buyer to the table and you bring the deal to the table, and therefore you guys can split in the assignment fee. And it's such an easy way to get started when you don't have a lot of time where you don't have a lot of resources, but it's also a very lucrative avenue to keep in your business, even if you're doing ten deals a month, right? If you're out there and you're knocking down seven, eight, nine, ten deals a month, but you got another wholesaler bringing you deals, well why wouldn't you put a buyer on that deal too and take half of that fee?

Zack Childress: So the point of it is, yeah, it's a great strategy to get started with, but it's also a longevity strategy. You'll always be able to use it no matter how big you get. I was talking to a friend of mine out in Arizona and they do about 150 transactions a year and he said that at least half of all his deals are co-wholesale deals. And I mean this guy is spending hundreds of thousands of dollars on marketing a month, but he flat out said, yeah, half my deals are through other and all other wholesalers. And so that's what I'm saying. Even though it is a valuable aspect to your business, getting you started, it's always going to be part of your business. So learning co-wholesaling is something that I think I owe a lot of my success to, because, you know what? Ah Goodness. I don't know. Was it six, seven, eight years ago?

Zack Childress: Well, we'll see. Ava was two. What's that? Six years ago. She's nine now, so six, seven years ago, I came to the market with the co-wholeselling strategy. Not to say that I invented the strategy, but I came to the market with the term co-wholeselling. I mean, and if you don't believe me, go type in co-wholeselling and

see whose site shows up. Go to domain registration and see who owns that domain. Yeah, I get it. A lot of people teach it out there right now, but I, I'm okay with that. You know, I'm okay that they're teaching a strategy that I brought to the market seven years ago. It actually makes me feel good that they're helping other people more with that strategy. You know, one of the things that Mike told me a long time ago is that, you know, when someone copies you, it's actually a compliment and I think that's great because I know how much success that our students have had from me basically bringing that into the market seven years ago.

Zack Childress: So look, if you learn it from me or you learn it from someone else, it's okay. It doesn't matter. What matters is, is that you take that information and you apply it, because it is a very easy strategy to deploy. You just got to make sure you're doing it right. And so, you know, one of the things we shared this week is there's really only two ways to do a co-wholesale deal: you either have to have a service provider agreement, which basically says the other wholesaler is hiring you for your services, or you have to have what's called a flex option, and a flex option just means you're taking an option on their agreement with the flexibility that if they want to sell it on their own, they can. Where a co marketing agreement is just more of a business transaction where that company is hiring you, um, as a service provider to bring them leads for their deals.

Zack Childress: And it's more of a legal type of service agreement, where the other one is more of a flex option where you're having the flexibility to put an option on their agreement. Either way, co-wholeselling is really a communication strategy. It is about being able to communicate effectively with the other wholesalers in the market place. And um, and what that really boils down to is, um, how many times do you pass a 'we buy houses' sign? How many times do you pass an 'I buy a houses' sign? How many times did you go and meet another wholesaler and look at them as competition? No, they're not competition. They're partnerships. It's you and them. Because here's what I know. Sixteen years into this business guys, I'm not some guy that fell off a turnip truck yesterday and decided to do real estate, right? Sixteen years.

Zack Childress: I mean, I think back a decade ago and what I knew then what I know now, man, it's amazing what happens in, in 16 years or even in the last decade. But here's what I know. Now you can go out and contract 10 houses. You're not going to sell all 10 contracts. You're not going to do it. So instead of losing, let's say you contract in, you sell six of those contracts, instead of losing four contracts, why not find another wholesaler that can help you with it because they might have buyers who are interested in those, were your buyers weren't. So it's really opening up and broadening out the expectation. So we talk about it all the time in business, and in leadership, and in growth, and it is those that are resourceful are the ones that thrive, right? Those that are sitting around waiting to be told what to do are the ones that don't go nowhere, right?

Zack Childress: Even in business, when you surround yourself with people who are waiting on an answer from you constantly, what you find is that you don't need them

anymore, right? Like it's like, well, I could just do it myself. I mean why am I paying that person to do it? But when you surround yourself with people that are resourceful enough to go find answers, and look, they may come to you and say, look, these are the three things I found. You know? Which one would you think- that's great, right? Because now you can see that they're thriving to strive to be more of a leader, but uh, and that's in life. So if you're sitting around trying to run your own business and you're waiting on an answer from someone, guess how quickly you're going to grow your business. You're not, right? You know, you think back to the, people that have the hardest journeys and it's typically the ones that don't have a lot of money.

Zack Childress: They're young or they've got multiple things going on in their life. Those three realms are the ones that have the hardest time starting. But then you take all three. Let's say you take someone that has got a lot going on. They got a job, they got family, they're trying to build a business. You can take three of them, teach them all the same thing. Um, and one of them will make it. And it's usually the one that says, I'm not going to let this knock me down. I'm not going to sit around and wait for somebody else to give me the answers. I'm going to go out and figure it out. And that's exactly how I was when I got started. Look, I got a lot of bad courses. You're talking 16 years ago, guys. Like the stuff that we have today is nothing like what it was 16 years ago.

Zack Childress: We didn't have the technology. We didn't have the REI robot, we didn't have some of the strategies I even used today. They weren't being taught to me back then. And I could have sat around and been like, yeah, well I'm not getting anywhere. Or I could have been like, I'm going to go figure this out and be resourceful and make it happen. You know, I was fortunate enough in my journey that I had a lot of different mentors in my life. And those mentors really nailed that into me. Like Zach, look, I'm here to help you, but I can only help you once you know where you're going, right. Like, you can't just wait on my call every couple of weeks for me to keep telling you what to do. You got to keep moving. You gotta keep moving. And guys, I can tell you as a mentor myself, I have that conversation with my own students.

Zack Childress: I have. I'm like, why are you waiting for me to get on the phone to give you more direction? Like you already have enough to get going, you know, don't make any stupid decisions. Like don't go buy a house without having me talked to you about it and you know, don't go do this without talking to me about it. And you know, but there's things you could be doing. You could be building the business, but you know, you got to be resourceful. That's how co-wholesaling started for me, I had to be resourceful. That's how wholesaling to a finance buyer started for me. I had to be resourceful. That's how all the lenders that I've raised over the years, had to come into play. I had to be resourceful, right? I couldn't sit around waiting on somebody just show up at my front door and say, oh, by the way, here's how you can make a million dollars. No, that doesn't work. You got to be resourceful.

Jill: I have to add to that, because you know, everybody watching TV, if half the time people spent half of the time that they're watching TV going through their resources... think how successful they would be.

Zack Childress: Oh, 100 percent, 100 percent. Like, you know, I mean, this was so funny. I forget who it was. It was somebody at our event, I forget his name, but I was walking through the lobby on Thursday... the event started on Friday and this was Thursday, and I'm walking through the lobby and I see one of our students sitting there and he's got all of our manuals out and he's going through and I mean he's highlighting, like that to me was like, he wasn't coming there to get answers; he was coming there to find direction. Does that make sense? Because the answers were in the material. So he wanted just more direction and how to go the next level. And I'm happy to report, I think if I'm not mistaken, he got approved to be in the mentoring program. And it was just such a full circle that I saw him there using his material. He came to the event for direction and what he ended up realizing was that he needed somebody to help hold his hand. When he applied he met with someone and I'm just happy that he got in. So...

Jill: Yeah, that's awesome. I can't wait to talk to that person.

Zack Childress: So we were just talking about the premise of co-wholesaling and why you do it, right? You're either one side of the transaction; you have to have the deal, or you have the buyer and you want to be networking with other wholesalers, in using either flex option or a service provider agreement.

Zack Childress: But there's also the way which we call facilitation, or the being the facilitator of a co-wholesale deal. And that's what, um, if you guys have the quick cash course, which there again, it's like \$37 - it won't break your bank. If you don't have it, you might want to get it. Okay. Um, is that we took Brett - so there's a story in there about a guy named Brett Wade. He was here in my local market and, I walked him through a co-wholesale deal. But really what it was, was the facilitation of a co-wholesale deal. He didn't even have a house. He didn't even have a buyer, he had neither one of them. But we helped him find a wholesaler who had a house and find a wholesaler who had a buyer, there was a \$12,000 assignment fee on that. And as he is the facilitator, we were able to teach him how to negotiate one third of the entire transaction. So the wholesale around the house got four grand; the wholesale who brought the buyer got four grand; and Brent made for grant.

Zack Childress: And the whole, if you watch the testimonial, I mean it's a full footage of it. Um, and it was years ago. I mean, you guys, if you watch that, you'll see like, that was like seven, eight years ago and you can tell. I think I even had a mustache back then, so I haven't worn a mustache in... Oh my word, a long, long, long, long time. So, um, but he made \$4,000 on that transaction.

Zack Childress: And so, that's when you're looking at wholesaling, you're looking at it from those angles, right? Like, all right, do I have the deal and do I have the firewall? I'm just gonna wholesale it, but let's say I get the deal and I can't find a buyer.

Well I'm going to go to other wholesalers, and I'm gonna work that transaction. Or let's say I've got a bunch of buyers but I can't find any deals. Well, I'm going to be on the phone calling every wholesaler there is in every single market, identifying and finding other wholesale so I can make some money. And that's what's important about that, is that a lot of times you guys will get deals and you won't know what to do with them, or you can't do anything with them because you don't have the buyers, but you won't go out and find other wholesalers, and I don't know why, but you just won't. So I encourage you guys to do that, right? Be part of the wholesale model. Add it into your, well we call it the quick cash quad system. So the quick cash quadrant system, and the reason we call it the quick cash quadrant system is because it's how to make quick cash using four different wholesaling strategies in one of those is co-wholesaling.

Zack Childress: And so you need to get in it, you need to learn it. I mean, we don't even sell the quick cash quadrant system. Um, we only give it to our coaching students, but you could get the quick cash REI quick cash system, which is just co-wholeselling if you want it. I mean, if you don't want it, then you know, keep doing what you've always done and get the results you've always got. But if you want something different, then there you go, jump on it, learn it, get engaged with it. So, I share that with you because I want you to be part of that. Okay? Now, remember, when you're doing that business, the most important thing is that you have an agreement between the whole sellers, right? Either that's a service provider agreement or some type of flex option.

Zack Childress: And the number one goal with co-wholesaling is networking. That is the number one goal. Building as many relationships as you can through co-wholesaling, building as many relationships as you can in the marketplace with other wholesalers, network, network, network, network, network. That's the key to co-wholesaling. So I share all that with you because I want you to have success, and I want you to grow your business, and I want you to understand that if you're just a one trick pony, you're going nowhere fast. If you're trying to figure this business out and you're just simply, you know, reading a book here and reading a book there, you're not going to get there fast, right? You to engage in the process. You're not only got to be on shows like this and read books, by the way, I've got a great book for you, but you've got to also get out into live events.

Zack Childress: You got to learn. You've got to be able to be around other mentors and be able to sit with mentors and really talk about your business and where you're going with your business and you know what, what's the next stage of your business. Like, these are things you've got to really engage. You can't do that sitting at home on your couch hoping you're going to grow a real estate business. We're not in the hope business; we're in the what business, Jill?

Jill: The do.

Zack Childress: We're in the do business. That's right. We're not in the hope business. If we sat around and hoped for success, well you know-

Jill: There's a saying: you can hope in one hand, and-

Zack Childress: Yeah, my mother always said that. She always said want, because I'd say I want that. My mother would say want in one hand and poop in the other hand, and see which one fills up the fastest.

Jill: Wasn't quite so G rated though?

Zack Childress: No, no, no. My mother definitely did not hold her words back with me. Where like, nowadays my kids, even if we're out and they hear somebody say the word "stupid", they'll look at me and go... like, we don't say words like stupid, we don't say words like, we don't even use the word fat in my house.

Jill: We don't really either, especially because we have girls.

Zack Childress: Yeah. And that's why, because I have Ava, but I also, I also am as a point, like I let him know, look, saying fat is not a bad word. It's how you say it to someone. And so that's really the language that I'm trying to get them to understand. It's, you know, we can say all kinds of words, but when we're not thinking about how that word affects someone else than we've lost the understanding of-

Jill: Can I give you Lola for a week?

Zack Childress: Why? Does she say some words?

Jill: Oh my gosh. Her tone, her tone, and then she's like-

Zack Childress: A little cocky? I can see that with Lola.

Jill: And I'm like Lola, like you are not the mama. You remember that Dinosaurs that was on Friday night, that was like not the Mama and he would always hit someone in the head with a frying pan? Maybe that strategy will work.

Zack Childress: Yeah, I mean, it's tough man. I mean, it's tough with our youth because I mean, like, Ava's got this little friend and they don't care at their house, you know what I mean? Like they don't care. Like I was going to, um, where was I at? I was going, I was going to a play. I was taking the kids to a play and I asked Ava if she wanted to bring her friend, and she said yeah, and I said great. And so, um, so I went and picked her friend up. We were all going to the play together and we were playing something and she was like, oh my G-O-D. And I said, whoa, we don't use that word in that tone, in this car, or in this house. She's like, well, we'll, we'll... How'd she... She said, oh, I don't get in trouble with that in my house. I said, well, that's fine, but in this house we serve the Lord.

Jill: And when you are with me, you're mine.

Zack Childress: So, uh, so you know that, that happens, right? And so, I don't know how we started talking about that, but um, but anyways, co-wholesaler, right? Getting out there networking, right? So be in the game guys!

Zack Childress: You've been listening to the Real Estate Investing Talk Show. I'm Zach Childress, and I'm on a mission to create 10,000 real estate bosses over the next year. Will you be one of them? Head over to my website, [Rei Success Academy.com/webclass](http://ReiSuccessAcademy.com/webclass) and register for my free web class where you'll discover how to escape from the nine to five grind and become own boss in real estate.

Zack Childress: See you there.